



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

m-1

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/068,106	02/05/2002	Michael Carlson	PANG-1-1002	5747
25315	7590	10/09/2007	EXAMINER	
BLACK LOWE & GRAHAM, PLLC			AGWUMEZIE, CHARLES C	
701 FIFTH AVENUE			ART UNIT	PAPER NUMBER
SUITE 4800			3621	
SEATTLE, WA 98104			MAIL DATE	DELIVERY MODE
			10/09/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/068,106	Applicant(s) CARLSON, MICHAEL	
	Examiner Charlie C. Agwumezie	Art Unit 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 25 July 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected:
- 7) ☒ Claim(s) 21 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims

1. Claims 1, 10, 11, 12, 19, 20, and 21 are amended. Claim 1-21 are pending in this application per the response filed on July 25, 2007.

Request for Telephone Interview

2. Applicant's request for telephone interview prior to official action was granted. During the interview on September 24, 2007, with Christopher T.L. Douglass, the Examiner indicated that claim 21 would be allowable if the 112 1st and 2nd paragraph issues are overcome and Applicant agreed to amend the claims to overcome the issues.

Response to Arguments

3. Applicant's arguments filed July 25, 2007 have been fully considered but they are not persuasive.

With respect to claim 1, Applicant argues that Benton fails to teach or suggest "creating multiple sets of unique account data on an administrator system and delivering the unique account data to a buyer system and a seller system prior to each transaction."

In response, Examiner respectfully disagrees and submits that the account data of the buyer and seller of Benton is stored in card. The card was created before it came to the possession of both buyer and seller contrary to Applicants' argument. Thus the creating of the account at the issuing institution is inherent in Benton's invention.

With respect to **claims 12 and 21**, Applicant argues are patentable for the same reason as in claim 1.

In response, Examiner asserts that claim 12 is not allowable but that claim 21 would be allowable if amended to overcome the 112 1st and 2nd paragraph rejections as indicated above.

As per **claims 10-11 and 19-20**, Applicant argues that the references cannot be combined absent some teaching or suggestion in the references to support the use in the particular claimed invention.

In response, Examiner submits that KSR forecloses the argument that a specific teaching, suggestion or motivation is required to support a finding of obviousness.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. **Claim 21**, is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one

skilled in the relevant art that the inventor(s), at the time of application was filed, had possession of the claimed invention.

The specification as originally filed contains no support for “**one time base matrix**” This is the first instance of this invention that is unrelated and unsupported by the original filing. Therefore **Cancellation of the new matter is required.**

Applicants amendments/arguments dated July 25, 2007 have been considered but are deemed without merit since the Applicant argues an invention lacking support in the specification and based entirely on new matter.

Claim Rejections - 35 USC § 112

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 12 and 21, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically the claim limitation “sending the generated sample data to an administrator system, when the comparison is positive.” It is unclear what happens when the first and second generated sample data comparison is not positive (claims 1 and 12). It is not clear what the applicant meant by “one time base matrix” (claim 21). It is also unclear how the buyer account number and seller account number is multiplied. Is the multiplication including when the account numbers are made up of alphabets for example ABCZ123 for buyer and DEFZ456 for seller? or numerical digits. What is the limit of the multiplication? How does this work?

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 12, 13 and 21, are rejected under 35 U.S.C. 103(a) as being unpatentable over Benton et al U.S. Patent 4,926,325 in view of Franklin et al U.S. Patent 6,000,832.

As per **claim 1, and 12**, Benton et al discloses a computer based verification method comprising:

creating multiple sets of unique account data on an administrator system and delivering the unique account to a buyer system and seller system prior to each transaction (col. 3, lines 30-55; col. 8, lines 20-30; col. 8, lines 20-30; ...the cards were created by the issuing institution before it gets to the possession of buyer and seller...)

storing a buyer account number and account data on a buyer system (col. 8, lines 20-30);

storing a seller account number and account data on a seller system (col. 3, lines 30-55; col. 8, lines 20-30);

determining a transaction amount (col. 8, line 60-col. 9, line 30; col. 16, lines 40-50);

determining a transaction time (col. 9, lines 30-35; col. 16, lines 40-50);

generating a first set of sample data from the data stored on the buyer system based on the determined transaction time and the account numbers associated with the account data previously stored on the buyer and seller systems (col. 8, lines 60-col. 9, line 30);

generating a second set of sample data from the data previously stored on the seller system based on the determined transaction time and the account numbers associated with the account data previously stored on the buyer and seller systems (col. 8, line 60-col. 9, line 30);

comparing at least a portion of the generated first set of sample data to at least a portion of the second set of sample data (fig. 9-4; col. 10, lines 20-35);

sending the first generated sample data and the second generated sample data to an administrator system, when the comparison is positive (col. 4, lines 30-38; col. 10, lines 60-67; ...transferring first and second data to a remote computer...).

comparing unique data included in the first set of sample data to unique data previously stored at the administrator system that is associated with the buyer account number (fig. 9-4; col. 8, line 60-col. 9, line 30);

comparing unique data included in the second set of sample data to unique data previously stored at the administrator system that is associated with the seller account number (fig. 9-4; col. 8, line 60-col. 9, line 30); and

completing the transaction, if the unique data comparisons are positive (figs. 9-4; 9-5).

What Benton does not explicitly teach is

sending the generated sample data to an administrator system, if the comparison is positive. Bento however discloses that in upload mode, transaction data accumulated at each machine is transmitted to the authorizing institution. Thus Benton teaches means for transmitting said transaction data to another machine but did not explicitly indicate that it was an administrator system.

Franklin et al discloses a computer based verification method comprising:

sending the generated sample data to an administrator system, if the comparison is positive (fig. 7; col. 2, lines 45-65).

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate a method for sending the generated sample data to an administrator system in view of the teachings of Franklin et al in order to further verify and ensure security.

As per **claim 2 and 13**, Benton et al further discloses the method, wherein the generated first and second set of sample data is further generated based on the transaction amount (col. 8, line 60-col. 9, line 30; col. 16, lines 40-50).

As per **claim 3**, benton et al failed to explicitly disclose the method, wherein the seller system is in communication with the administrator system over a network.

Franklin et al discloses the method, wherein the seller system is in communication with the administrator system over a network (col. 2, lines 45-65).

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate a method wherein the seller system is in communication with the administrator system over a network in view of the teachings of Franklin et al in order to further verify and ensure security.

As per claim 4, Benton et al further discloses the method, wherein the seller system is in communication with the buyer system over a network (col. 10, lines 60-65).

7. Claims 5-9 and 14-18, are rejected under 35 U.S.C. 103(a) as being unpatentable over Benton et al U.S. Patent 4,926,325 in view of Franklin et al U.S. Patent 6,000,832 as applied to claim 1 and 12 above, and further in view of Bush et al U.S. Patent 5,130,519.

As per claim 5 and 14, Benton et al and Franklin et al failed to disclose the method, wherein the account data at the buyer and seller systems comprise common data and unique data stored in a plurality of matrices, wherein the matrices are stored according to time.

Bush et al discloses the method, wherein the account data at the buyer and seller systems comprise common data and unique data stored in a plurality of matrices, wherein the matrices are stored according to time (fig. 3, 4, and 4A-C; col. 4, lines 38-50).

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate a comprise common data and unique data stored in a plurality of matrices, wherein the matrices are stored according to time as above in view of the teachings of Bush et al in order to show an alternative method of storing/representing the data.

As per claim 6 and 15, Benton et al further discloses the method, wherein the unique data is unique to the associated account number (col. 8, line 60-col. 9, line30).

As per claim 7 and 16, Benton et al further discloses the method, wherein the common data is commonly addressable to all buyer and seller account numbers in a series (col. 14, lines 20-30).

As per claim 8 and 17, Benton et al and Franklin et al, failed to disclose the method, wherein each matrix has a unique matrix orientation.

Bush et al discloses the method, wherein each matrix has a unique matrix orientation (fig. 3, 4, and 4A-C; col. 4, lines 17-38).

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate a method, wherein each matrix has a unique matrix orientation in view of the teachings of Bush et al in order to show an alternative method of storing/representing the data.

As per claim 9 and 18, Benton et al and Franklin et al, failed to disclose the method, wherein each matrix comprises an unscramble key.

Bush et al discloses the method, wherein each matrix comprises an unscramble key (fig. 4, col. 1, lines 10-20).

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate the method, wherein each matrix comprises an unscramble key in view of the teachings of Bush et al in order to show an alternative method of representing data.

8. Claims 10-11 and 19-20, are rejected under 35 U.S.C. 103(a) as being unpatentable over Benton et al U.S. Patent 4,926,325 in view of Franklin et al U.S. Patent 6,000,832 and Bush et al U.S. Patent 5,130,519 as applied to claim 1 and 12 above, and further in view of Appleton U.S. Patent 4,016,404.

As per claim 10, 11, 19 and 20, Benton et al and Franklin et al failed to explicitly disclose the method, wherein generating the first set of sample data comprises retrieving a matrix based on the determined transaction time, generating a base matrix from the retrieved matrix based on the unscramble key associated with the retrieved matrix, generating a scramble matrix based on a product of the buyer and seller account numbers, and producing the sample by retrieving one or more row or columns from the generated scramble matrix.

Bush et al discloses the method, wherein generating the first set of sample data comprises retrieving a matrix based on the determined transaction time (fig. 3; col.4, lines 38-50). Bush further discloses generating a base matrix from the retrieved matrix based on the unscramble key associated with the retrieved matrix (fig. 4, col. 1, lines 10-20).

What Bush does not teach is generating a scramble matrix based on a product of the buyer and seller account numbers, and producing the sample by retrieving one or more row or columns from the generated scramble matrix.

Appleton discloses generating a scramble matrix based on a product of the buyer and seller account numbers, and producing the sample by retrieving one or more row or columns from the generated scramble matrix (col. 2, lines 12-45, col. 4, lines 1-15)

Accordingly it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the system of Benton et al and incorporate the methods as describe above, wherein each matrix comprises an unscramble key in view of the teachings of Appleton in order to show an alternative method of representing the data.

Allowable Subject Matter

9. **Claim 21** would be allowable if rewritten or amended to overcome the rejection(s) under 35 U.S.C. 112, 2nd paragraph, set forth in this Office action.

Conclusion

10. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

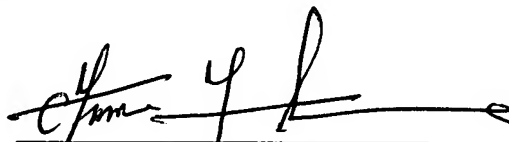
Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that the applicant, in preparing the responses, fully consider the references in entirety as potentially teaching all or part of

the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Charles C.L. Agwumezie** whose number is **(571) 272-6838**. The examiner can normally be reached on Monday – Friday 8:00 am – 5:00 pm.

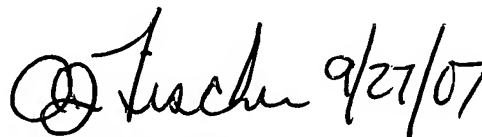
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Andrew Fischer** can be reached on **(571) 272 – 6779**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Charlie Lion Agwumezie
Patent Examiner
Art Unit 3621

Acc
September 24, 2007



ANDREW J. FISCHER
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600